

Message Text

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PAGE 01 KHARTO 01691 150735Z
ACTION AF-10

INFO OCT-01 NEA-10 ISO-00 SOE-02 AID-05 CEA-01 CIAE-00
COME-00 DODE-00 EB-08 DOE-15 H-01 INR-10 INT-05
L-03 NSAE-00 NSC-05 OMB-01 PM-05 ICA-11 OES-07
SP-02 SS-15 STR-07 TRSE-00 ACDA-12 PA-01 /137 W
-----030143 160905Z /13

R 150613Z APR 78
FM AMEMBASSY KHARTOUM
TO SECSTATE WASHDC 7102
INFO USINT BAGHDAD
AMEMBASSY JIDDA
AMEMBASSY KUWAIT
AMEMBASSY CAIRO

C O N F I D E N T I A L KHARTOUM 1691

E.O. 11652: GDS
TAGS: EFIN, ENGR, SU
SUBJ: SUDANESE FOREIGN EXCHANGE SITUATION: THE GOING GETS
ROUGHER

REF: (A) KHARTOUM 1503, (B) KHARTOUM 925

1. THE SUDAN'S DIRE FOREIGN EXCHANGE PICTURE AND VIRTUAL
HAND-TO-MOUTH- EXISTENCE BECAME PAINFULLY APPARENT IN EARLY
APRIL WHEN BADLY NEEDED CURDE OIL SUPPLIES WERE WITHHELD
PENDING PAYMENT AGAINST DELIVERY. ACCORDING TO REPORTS
CONFIRMED BY LOCAL OIL COMPANY AND BANKING REPRESENTATIVES,
A TANKER CARRYING IRAQI CURDE REFUSED TO DOCK AT PORT SUDAN
UNTIL SUDAN GOVERNMENT MADE REQUIRED PAYMENTS UNDER FIVE
YEAR BILATERAL AGREEMENT FOR CURDE OIL DELIVERIES. OIL
COMPANY SOURCE INDICATES PAYMENT WAS MADE AND OIL DELIVERED.
HOWEVER, ACCORDING TO BANKING SOURCE, MONEY FOR THE 3 MILLION
DOLLAR PAYMENT COULD NOT BE FOUND.

2. ACCORDING TO LATTER SOURCE, A HIGH LEVEL DECISION
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WAS TAKEN TO FORCE OFFLOADING OF THE SHIP, BUT SUDAN GOVERNMENT
BALKED WHEN IT DISCOVERED THAT SHIP'S CAPTAIN WAS RUSSIAN.
AGREEMENT WAS FINALLY REACHED FOR OFFLOADING ON THE UNDER-
STANDING THAT PAYMENT WOULD BE MADE BEFORE NEXT TANKER ARRIVES
APRIL 15. THERE IS SOME DOUBT THAT PAYMENT HAS OR CAN BE
MADE BY THEN.

3. CRITICAL PETROLEUM SUPPLY SITUATION IS WORSENING
WITH PRODUCT SHORTAGES NOW IN KHARTOUM. PORT SUDAN REFINERY WILL
SLOW-DOWN IF IRAQI CRUDE DELIVERIES INTERRUPTED. RECENT ARRIVAL
OF GASOLINE AND GASOIL FROM KUWAIT WILL PROVIDE NOTHING MORE
THAN STOP-GAP ASSISTANCE. OUTLOOK IS GRIM AS SUDANESE SEEM
UNABLE TO FIND FOREIGN EXCHANGE FOR ONE OF THE MOST BASIC
IMPORT ITEMS.
BERGUS

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NNN

Message Attributes

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Concepts: FINANCIAL CRISIS, FOREIGN EXCHANGE HOLDINGS
Control Number: n/a
Copy: SINGLE
Draft Date: 15 apr 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
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Disposition Date: 20 Mar 2014
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Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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ISecure: 1
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Litigation History:
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Secure: OPEN
Status: NATIVE
Subject: SUDANESE FOREIGN EXCHANGE SITUATION: THE GOING GETS ROUGHER
TAGS: EFIN, ENRG, SU
To: STATE
Type: TE
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